Federal Health Policy Priorities for 2007-08

Overarching Principle

Support efforts to ensure quality health care with reliable and affordable benefits that are available to all Americans in a manner that has no significant adverse impact on PEMHCA or on CalPERS members.

Quality/Value/Safety

Support efforts to increase patient safety and health care quality, and decrease medical errors, such as the expanded use of effective information technology tools, such as e-prescribing, and pay-for-performance initiatives. (Quality)

Support policies that increase public awareness of the reasons for variations in health care costs and quality and require health care providers to justify cost increases that vary significantly from the average (Cost, Choice, Quality, Stability)

Catastrophic Cost Management

Support policies to stabilize and make health insurance premiums more predictable by encouraging prevention and management of catastrophic illnesses as well as subsidizing all or part of their costs. (Cost, Stability)

Long-Term Care

Support efforts to make long-term care coverage more affordable, accessible and reliable, such as tax subsidy incentives with consumer protections for private long-term care and direct tax credits for caregivers. (Cost)

Prescription Drugs

Support policies that accelerate the use and broad-based dispersal of generic biopharmaceuticals – frequently referred to as biogenerics. (Cost, Stability)

Oppose policies that unnecessarily extend effective patent life of brand prescription drugs and support initiatives that expand the appropriate use of cost effective, quality generic drugs. (Cost, Choice, Stability)

Oppose anti-competitive settlements between brand and generic drug companies AND support federal legislation that explicitly prohibits anti-consumer settlement arrangements without undermining those that do accelerate generic drug competition to the marketplace. (Cost, Stability)

Support initiatives that promote transparency and accountability by financing and distributing information about evidence-based comparative prescription drug (and medical device) analysis. (This will help empower purchasers and consumers to make informed choices about purchasing medications and other high-cost technologies). (Quality, Cost, Stability)

Support workable policies to limit misleading pharmaceutical marketing practices, including direct-to-consumer advertising, that lead to excessive and expensive prescription drug utilization. (Cost, Stability)

Medicare Modernization Act (Part D in particular)

Oppose any policies that reduce federal support to maintain coverage for retiree health programs. (Cost)

Support changes to the Medicare Modernization Act that will allow CMS to enter into direct negotiations with pharmaceutical manufacturers to obtain discounts on prescription drugs in a manner that does not undermine discounts provided to CalPERS. (This will help conserve resources within Medicare and lessen the need to reduce spending by eliminating the federal drug subsidy for employers, for example.) (Cost, Stability)

Universal Health Care Coverage (or Preserve and Expand Health Care Coverage)

Support measures to expand affordable private or public group coverage to ensure access and coverage to the greatest number of citizens. (Cost, Stability)

Oppose tax policies that have an explicit bias against traditional employer-based coverage. (Cost, Stability)

Oppose policies that simply shift costs to patients rather than truly addressing health care cost growth. (Cost)

Oppose cuts in publicly-funded health care programs that simply shift costs and risk to state and local governments. As Medicaid program efficiencies are identified, reinvest funds to strengthen and improve the under-funded program. (Cost)